which *inter alia* provide for mandatory appointment of a Merchant Banker, who carries out due diligence of the proposed issue, disclosure about the project, background of promoters, etc. In addition, for listing their shares on Stock Exchanges, the companies have to comply with all the requirements of the listing agreement including the provisions relating to continuous disclosure.

(e) The field offices of DCA have taken action against such companies for violation of the provisions of the Companies Act. 1956. Moreover, since December 2001,117 prosecutions have been launched all over the country under sections 62/63, 68 and 628 of the Companies Act. Offences under these sections carry punishment of imprisonment. SEBI has debarred 92 companies and 352 directors u/s 11B of the SEBI Act from raising money from the Capital Market in any form, for a period of five years.

Financial Bungling in DAV Schools/Colleges

2031. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government's attention has been drawn to the newsitem appearing in Punjab Kesri Delhi (Hindi) edition dated the 14th November, 2002 regarding gross irregularities and financial bungling in DAV Schools/Colleges;

(b) if so, whether any inquiry has been made by Government to establish facts;

(c) if so, what is the outcome thereof stating the estimated loss in terms of Income Tax suffered by Government during the last three years or so; and

(d) what action has been taken/is proposed to be taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) Yes, Sir.

(b) to (d) The Income-tax returns filed by DAV Managing Committee for the last three Assessment Years have been taken up for Scrutiny.

Necessary action as per the provisions of Law would be taken in the matter.

RBI directive to Sanchayani Savings and Investments Ltd.

2032. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Reserve Bank of India has directed the Sanchayani Savings & Investments Limited to accept deposits from the public investors;

(b) if so, the details thereof and the reasons therefor;

(c) whether similar action has been taken against any other Residuary Non-Banking Finance Companies guilty of similar lapses; and

(d) if so, tne details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

Finance Ministers' Conference on Service Tax

2033. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that in the Finance Ministers' conference recently, the Finance Minister of Andhra Pradesh made a strong plea for enacting a legislation to bring services under the Concurrent List and empower the States to levy tax on services;

(b) if so, what is Government's reaction thereto; and

(c) what other major decisions were taken at the Conference for improving the resources position of the State Governments so as to scale doWn their large fiscal deficits?